New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

John H. Bemis Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey
Division Director
Oil Conservation Division



Administrative Order OLM-51

June 10, 2011

EOG Resources, Inc. 4000 North Big Spring, Suite 500 Midland, TX 79705

Attention: Stan Wagner

EOG Resources, Inc. ("EOG") is hereby authorized to measure oil and gas production Off-Lease from the following well, Lea County, New Mexico:

Vaca 14 Federal Com Well No. 5H (API 30-025-39944)

SHL: Unit Letter D, Sec. 14, T-25S, R-33E, NMPM, Federal Lease No. NM124212 Red Hills; Bone Spring Pool (51020) Project Area: 160 acre, W/2 W/2 Sec. 14

We understand that oil from this well will be stored and measured through dedicated separation equipment and dedicated LACT unit at the Vaca 14 Federal Well No. 3H production facility, located in Unit Letter B of Section 14. It is also our understanding that after gas is separated, it will be metered for sales at this same location.

The operator shall notify the Hobbs district office of the Division before commencement of Off-Lease Measurements.

JAMI BAILEY

Division Director

JB/wvjj

cc: Oil Conservation Division – Hobbs

Bureau of Land Management - Carlsbad

